

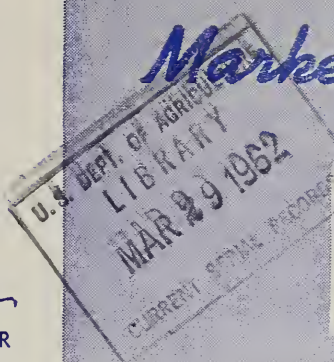
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Review

Frank W. Taylor
MARKET ADMINISTRATOR

Market Administrator's



BULLETIN

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President Kennedy's Remarks at Milk and Nutrition Conference

A summary of remarks made by President John F. Kennedy before the National Conference on Milk and Nutrition, Inter-Departmental Auditorium, Washington, D. C., January 23, 1962

Thank you, Mr. Secretary. Ladies and Gentlemen: I want to express my appreciation to all of you for participating in this conference, which I think is most important to our farmers and to our country.

And I want to say a few words this morning about a very important subject to us all. And that is milk.

Almost every State produces milk. It provides twice as much of the cash income for our farmers as any other basic crop. It's our most nourishing food.

And last year we consumed either in the form of milk or in the form of butter, cheese or ice cream, about 125 billion pounds of dairy products. But in the year before we consumed between 2 and 3 billion pounds more. At the same time, our population increased 1.7 percent. And milk production, in an effort to keep pace with population production, increased 1½ percent. And in that same time, milk consumption declined 2½ percent.

This is a serious matter for us, serious for the dairy industry, for all of our farmers and for the United States.

First, it's a matter of concern because it implies poor nutrition and a less balanced diet.

Secondly, it presents problems in the area of the management of our milk production. It will require adjustment. We cannot continue to accumulate dairy products in still larger inventories. Nor can we embark upon a policy that will jeopardize the economic interest of so large a segment of our farm population. For there is a close relationship between prosperity on the farm and prosperity in the city, between economic health of our farm community and the economic health of our nation.

Third, the drop in milk consumption has a ser-

ious implication for the best use of those soil, water and animal resources that are now involved in dairy production. I doubt that anyone can be sure of the reasons of this sudden drop in consumption. We only know that the slow decline in consumption over a period of time became immediate and precipitous last year.

I have long been convinced that milk is an important aid to good health. This has led me to direct that milk be served at every White House meal from now on. And I expect that all of us will benefit from it.

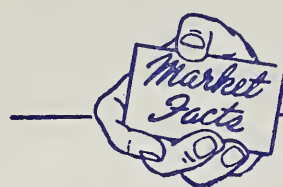
If we are to be a vigorous and vital nation as we all desire, then of course we must depend on the consumption of a balanced diet. And milk must be a part of it.

I am aware that there has been a good deal of public discussion about the effect of radioactive fallout upon our food supply. Most of the discussion has unfortunately used milk as an example of food products that might be contaminated. This recognizes the importance of milk in our daily diet, but it has the unfortunate effect of causing an identification in the minds of some between fallout and milk. I should like to correct any misunderstandings that may exist about this.

The Public Health Service and other agencies have been instructed to keep the problems of fallout in food under constant surveillance. Detailed guidelines to protect the health of the people against radiation have been developed by the Federal Radiation Council. It is abundantly clear that for the foreseeable future there is no danger from the present amount of exposure.

The milk supply offers no hazards — on the contrary it remains one of the best sources of nu-

(Continued on Page Four)



Columbus

MARKET FACTS FOR EASY REFERENCE

PRICE SUMMARY

Producers' Uniform Price (3.5%)	\$4.30
Producers' Uniform Price (4%)	4.68
Class I (3.5%)	4.517
Class II (3.5%)	4.117
Class III (3.5%)	3.892
Class IV (3.5%)	3.266
Producer Butterfat Differential for each one-tenth percent	7.6¢

UTILIZATION SUMMARY

Percent of Producer Milk in Class I	79.3
Percent of Producer Butterfat in Class I	72.5
Percent of Producer Milk in Class II	6.3
Percent of Producer Butterfat in Class II	1.9
Percent of Producer Milk in Class III	1.9
Percent of Producer Butterfat in Class III	2.6
Percent of Producer Milk in Class IV	12.5
Percent of Producer Butterfat in Class IV	23.0

PRODUCTION SUMMARY

Total Pounds of Producer Milk Delivered	33,597,270
Average Daily Class I Producer Milk	859,117
Total Number of Producers	1,329
Average Daily Production per Producer	815
Average Butterfat Test	3.97
Total Value of Producers Milk at Test	\$1,562,372.55
Income per Producer (7 day average)	\$265.46

GROSS CLASS USE (Pounds)

Class I Skim	25,669,670
Class I Butterfat	967,225
Class I Milk	26,636,895
Class II Skim	2,179,291
Class II Butterfat	24,512
Class II Milk	2,203,803

AVERAGE DAILY SALES (Quarts)

Milk	309,228
Buttermilk	4,632
Chocolate	16,519
Skim	12,231
Cream	8,844

Jan. 1962	Dec. 1961	Jan. 1961
\$4.30	\$4.61	\$4.49
4.68	4.995	4.885
4.517	4.600	4.74
4.117	4.200	4.34
3.892	3.919	4.017
3.266	3.267	3.096
7.6¢	7.7¢	7.9¢
79.3	78.0	81.1
72.5	72.3	74.3
6.3	6.1	6.7
1.9	2.0	2.0
1.9	1.9	1.7
2.6	2.4	2.1
12.5	14.0	10.5
23.0	23.3	21.6
33,597,270	32,916,637	29,526,971
859,117	828,261	772,808
1,329	1,329	1,497
815	799	636
3.97	3.98	3.92
\$1,562,372.55	\$1,552,840.50	\$1,421,019.22
\$265.46	\$263.84	\$214.35
25,669,670	24,728,367	23,097,255
967,225	947,720	859,785
26,636,895	25,676,087	23,957,040
2,179,291	2,042,345	2,034,287
24,512	26,034	22,784
2,203,803	2,068,379	2,057,071
309,228	294,384	297,206
4,632	4,270	4,538
16,519	13,886	16,797
12,231	10,810	11,867
8,844	9,380	8,271

COMPARATIVE STATISTICS

COLUMBUS MARKETING AREA

Jan., 1953-62

Year	Receipts from Producers	Average Butter-fat Test	Percentage of Producer Milk in Each Class				Uniform Producer Price (3.5%)	Class prices at 3.5%				Number of Producers	Daily Average Production
			Class I	Class II	Class III	Class IV		Class I	Class II	Class III	Class IV		
1953	19,750,387	4.09	80.4	13.5	6.1	—	4.57	4.715	4.315	3.64	—	2,218	287
1954	23,085,076	4.06	73.5	12.9	13.6	—	4.13	4.34	3.94	3.46	—	2,243	332
1955	23,237,473	3.97	78.1	7.2	5.5	9.2	3.95	4.142	3.742	3.742	3.166	2,146	349
1956	24,586,227	3.94	77.8	8.1	6.4	7.7	3.94	4.125	3.725	3.725	3.142	2,085	380
1957	23,716,076	3.90	86.0	7.6	3.1	3.3	4.46	4.554	4.154	4.054	3.067	1,936	395
1958	25,086,958	3.86	84.9	7.3	2.9	4.9	4.28	4.411	4.011	3.911	3.088	1,857	436
1959	24,104,575	3.94	86.7	7.5	1.6	4.2	4.34	4.442	4.042	3.942	2.867	1,705	456
1960	28,244,823	3.96	83.2	6.3	2.1	8.4	4.46	4.685	4.285	3.777	2.996	1,696	537
1961	29,526,971	3.92	81.1	6.7	1.7	10.5	4.49	4.74	4.34	4.017	3.096	1,497	636
1962	33,597,270	3.97	79.3	6.3	1.9	12.5	4.30	4.517	4.117	3.892	3.266	1,329	815

Milk Production Continues Uptrend

The Dairy Situation, Economic Research Service USDA, December 1961

Indications point to a record milk output in 1961, about 2 billion pounds greater than the 122.9 billion pounds in 1960 and the largest percentage increase since 1953. In the first quarter of 1961, production was a little above the first quarter of 1960. Then, as 1961 progressed, the gain in output increased, amounting to 1.4 percent above 1960 in the second quarter, and 2.6 percent above in the third quarter. Currently, production is running around 3 percent larger than a year ago.

Milk production has made a comeback in the last two years after declines in 1957, 1958 and 1959. It now appears to be in a period of expansion with another significant increase expected in 1962.

Several factors are responsible for the uptrend in milk production. Milk-feed price relationships have continued favorable for several years, and beef cattle prices have declined somewhat from the high levels of 1959. Also contributing to the uptrend were the price rises in manufacturing milk in late 1960, reflecting a strong demand for milk used in cheese, and two increases in price supports, first in September 1960 and again in March 1961.

During the past two years, the decline in milk cow numbers has been slowed — from 5 percent in 1958 and 4 percent in 1959 to 2 percent in 1960 and only 1 percent in

1961. In addition to the slower decline in cow numbers, output per cow, after faltering in 1960 and early in 1961, is again increasing at a rate of about 4 percent per year. Favorable pasture conditions during summer and early fall of this year stimulated production, and the present high rates of concentrate feeding are maintaining the rate of gain.

The present stability of beef cattle prices apparently is having a less depressing effect on milk production than might have been expected. The reason is that the recent increases in price support levels had their greatest impact on prices for all wholesale milk in regions where the shift from milk to beef has been most pronounced. These are the regions in which manufacturing milk is a major outlet.

Higher prices to farmers for all milk in 1961 over year-ago levels in the Lake States, Corn Belt States, and Northern Plains States mainly reflected increases in manufacturing milk prices. These increases were triggered in late 1960 by a strong demand for milk for making cheese. The new price level was maintained in 1961 as a result of the increase in price supports even though supplies increased while commercial demand for dairy products decreased. Price in 1961 encouraged milk production in these regions and represented a

reversal of a downward trend that had started in 1956.

Increased milk output has resulted in lower Class I and blend prices in a number of Federal order markets, reflecting a smaller proportion of Class I utilization. In some regions, such as the Northeast, continued increase in production likely will result in some further declines both in Class I and Blend prices. Continued lower prices for milk in fluid uses could slow the rise in production in fluid milk areas.

Seven States, New York, Ohio, Virginia, North Carolina, Georgia, Kentucky, and Tennessee increased production by more than 2 percent. In most other States, increases were small.

USDA REPORTS CALENDAR 1961 DAIRY PRICE-SUPPORT ACTIVITY

Dairy price-support purchases during calendar year 1961 amounted to 329.5 million pounds of butter, 124.4 million pounds of cheddar cheese, and 1,193.3 million pounds of nonfat dry milk the U.S. Department of Agriculture reported in its year-end summary of dairy price-support activities.

Aproximately 1,450.6 million pounds of dairy products were moved into useful channels during 1961. This total includes 195.5 million pounds of butter, 70.5 million pounds of cheese, and 1,184.6 million pounds of nonfat dry milk.

PRESIDENT'S REMARKS . . .
(Continued from Page One)

trition for our children and for adults. And I hope that the American people will appreciate this more and more as time goes on. In addition, the Food and Nutrition Board of the National Research Council has concluded after intensive research that the association of milk consumption and coronary disease due to the increase in cholesterol level has not been sufficiently established to justify the abandonment of this nutritious element except where doctors have individually prescribed special diets for those found to be susceptible to special cholesterol or coronary problems.

In the past 50 years, our children have grown more vigorous and sturdy because of better diets and better health. Our young adults are now about 2 inches taller than they were a half a century ago. I should like, and I am sure all of us would like, to see this trend continue.

A large proportion of our people now attain a physical condition once attained by a very few. But nutritionists tell us that 10 percent of our people still have an inadequate diet. The most serious deficiencies, I'm told, are in the very minerals and vitamins such as calcium and vitamin A — most prevalent in milk. I'm sure all of us would like to see this nutritional gap narrowed.

Those who are familiar with the needs and the problems of our older citizens also tell us that older people need more calcium than they now get. Again milk offers the best and most economical source of this vital mineral.

There are many school children today who do not participate in the school milk and school lunch programs because their schools do not and often cannot make them available. Last year we expanded these programs. I hope more and more children will be able to receive school milk and lunches in the days ahead. These find, I think, increasing support, these programs, among the people of other nations. We have

encouraged this development and will continue to do so.

These are some of the areas which I hope this conference will cover. I do not say that it is an easy matter that we are now faced with, but we do want to emphasize that this is a great productive resource of our country. We're rich in a very basic food. We are anxious to have the consumption of it increased as our population mounts and I believe that this conference will help bring attention of the public to what a valuable asset we have and to make sure that we develop it more fully. And therefore I want to express my thanks to all of you for being here today.

Market Quotations

JANUARY
1962

MIDWEST CONDENSERIES 3.5% per Cwt.	\$3.178
4 CONDENSERIES (Cincinnati) 3.5% per Cwt. (Estimated)	2.8750
4 CONDENSERIES (Tri-State) 3.5% per Cwt.	2.919
Evaporated Milk Code Price, 3.5% per Cwt.	2.908
Skim Milk Powder-Butter Price, 3.5% per Cwt. (Cincinnati)	3.3705
Skim Milk Powder-Butter Price, 3.5% per Cwt. (Columbus)	3.316
Skim Milk Powder-Butter Price, 3.5% per Cwt. (Dayton)	3.340
Skim Milk Powder-Butter Price, 3.5% per Cwt. (Toledo)	3.214
Skim Milk Powder-Butter Price, 3.5% per Cwt. (Tri-State, North Central O.)	3.214
Average Weekly Cheddars price per lb.	.3525
Average price per lb. non-fat dry milk solids, roller process, delivered in Chicago	.1437
Average price per lb. 92-score butter at Chicago	.60466
Average carlot prices non-fat dry milk solids, roller and spray process, f.o.b. manufacturing plant	.1526

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